

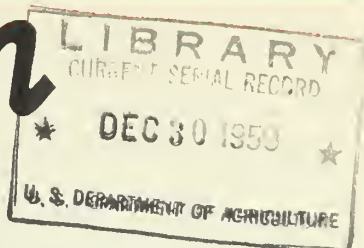
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# Foreign CROPS AND MARKETS



FOR RELEASE MONDAY, DECEMBER 28, 1959

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UNITED STATES DEPARTMENT OF AGRICULTURE  
FOREIGN AGRICULTURAL SERVICE  
WASHINGTON 25, D. C.

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CHILE ESTABLISHING  
NEW MONETARY UNIT

Chile has announced that on January 1, 1960, it will establish a new monetary unit to be called "escudo." The escudo will gradually replace the peso, the present currency unit of Chile. The ratio of the escudo to the peso, which will remain as a fractional unit, will be 1 to 1,000. The new monetary unit will also be divisible into 100 "condors" ( or centesimos).

The purpose of the change is to simplify prices, accounting, and monetary transactions and is not expected to have any effect on economic conditions, the price structure, or foreign trade.

URUGUAY UNIFIES  
EXCHANGE RATES

Uruguay has enacted a new Exchange and Monetary Reform Law, effective December 18, 1959, establishing a unitary exchange rate for all trade and other foreign exchange transactions. Henceforth, the rate will be determined by the free play of supply and demand in the money market.

This reform brings to an end a complex multiple exchange system under which foreign trade has previously been conducted. Previously, exports were divided into four basic groups and imports into three categories, with many special arrangements effective for individual commodities. Some commodities will continue to be imported at the old rates until active permits issued prior to the effective date expire.

Many details of the reform have not yet been announced; they will be reported on as they become available.

U. S. TOBACCO IMPORTS  
CONTINUE UPWARD

U. S. imports of tobacco for consumption rose to 114.2 million pounds in January-September 1959. For the same period of 1958 and 1957 they were 102.2 and 93.6 million pounds, respectively.

TOBACCO, UNMANUFACTURED: U. S. imports for consumption 1/  
January-September 1957-59

Commodity and origin	January-September		
	1957	1958	1959
	1,000 <u>pounds</u>	1,000 <u>pounds</u>	1,000 <u>pounds</u>
Cigarette leaf:			
Turkey.....	46,765	48,776	51,548
Greece.....	17,292	21,427	23,763
Yugoslavia.....	2,714	3,026	3,395
Others <u>2/</u> .....	3,242	5,439	4,681
Total.....	70,013	78,668	83,387
Cigar wrapper.....	565	455	460
Cigar filler (stemmed and unstemmed):			
Cuba.....	9,030	9,053	9,801
Philippines.....	185	302	169
Other.....	44	187	45
Total.....	9,259	9,542	10,015
Scrap:			
Cuba.....	9,009	9,666	12,025
Philippines.....	3,423	3,097	6,380
Others.....	17	138	744
Total.....	12,449	12,901	19,149
Stems.....	1,329	607	1,208
Grand total.....	93,615	102,173	114,219

1/ Includes withdrawals from bond for consumption and releases from customs immediately upon arrival. 2/ Largely Italy, Syria, Cyprus, Lebanon, and France.

There were substantial increases this year in imports of cigarette leaf and scrap filler for cigars. Cigarette leaf imports totaled 83.4 million pounds, compared with 78.7 in January-September 1958; scrap filler totaled 19.1 million pounds this year and 12.9 million a year earlier. Greece and Turkey accounted for 90 percent of the cigarette leaf imports in January-September 1959; Cuba and the Philippines supplied practically all of the scrap filler.

# JAPAN PLANS TO BUY MORE TOBACCO ABROAD

The Japan Tobacco Monopoly plans to buy about 11.4 million pounds of leaf tobacco from foreign countries during the second half of the Japanese fiscal year ending March 31, 1960. Tentative purchases of U. S. leaf during the period are likely to total around 10 million pounds. During the first half of the fiscal year (April-September 1959) purchases of leaf abroad totaled 2.5 million pounds--mostly from the United States.

## GREEK TOBACCO EXPORTS UP IN 1958-59

Greek exports of unmanufactured tobacco from July 1958 through June 1959 totaled 136.2 million pounds--an increase of 5 percent from the previous marketing year. U.S. purchases of 25.7 million pounds were down 19 percent from the previous year, but this decline was more than offset by larger purchases by Egypt, Switzerland, Soviet Union, and other countries.

The average export price per pound declined from the equivalent of 63.0 U.S. cents per pound in July 1957-June 1958 to 56.2 cents in 1958-59. The decline in price was attributed to lower quality.

TOBACCO, UNMANUFACTURED: Greece, exports by principal countries of destination, July-June 1957-58 and 1958-59 and average export price per pound

Country of destination	July 1957-June 1958	Average price per pound	July 1958-June 1959	Average price per pound
	1,000 pounds	U.S. cents	1,000 pounds	U.S. cents
Austria.....	6,080	44.4	4,841	29.0
Belgium.....	3,724	27.7	5,201	31.7
Egypt.....	844	46.7	2,998	60.7
Finland.....	2,535	53.1	3,512	54.4
France.....	10,683	51.7	10,423	49.4
Germany, East.....	1,640	80.7	999	86.1
Germany, West.....	42,811	59.9	44,641	57.1
Italy.....	9,621	78.5	10,754	56.6
Soviet Union.....	5,701	51.7	8,770	50.8
Switzerland.....	1,197	71.7	3,208	77.1
United Kingdom.....	1,969	63.0	123	45.3
United States.....	31,570	77.5	25,670	76.2
Others.....	10,936	---	15,042	---
Total.....	129,311	63.0	136,182	56.2



WEST GERMANY'S TOBACCO  
CROP SMALLER

The 1959 tobacco crop in West Germany dropped to 35.2 million pounds. It is the smallest crop since 1949 and is 18 percent below the 43.1 million pounds grown in 1958. The reduction is attributed to decreasing demand for domestic leaf in blending and to present large stocks.

Production of light air-cured will be down about 24 percent--to 10.7 million pounds; and cigar filler will be down 14 percent--to 21.5 million. Flue-cured, at 4.2 million pounds, is about the same as 1958 production. Although government control of tobacco acreage was abolished this year by a Supreme Court decision, domestic tobacco production is not expected to be affected materially.

KENYA CONSIDERING COMPULSORY USE  
OF EAST AFRICAN BARLEY

The Kenya Government has under consideration a program to compel East African breweries to use East African barley in beer production. One company in Nairobi is already preparing barley malt from local barley. The government believes that enough barley of good quality is now being grown in Kenya and Tanganyika to meet all local requirements for barley malt. Setbacks to the hog industry in 1958-59 and reduced hog numbers on Kenya and Tanganyika farms have resulted in a growing surplus of barley.

WEST GERMANY INCREASES MIXING  
QUOTA FOR DOMESTIC WHEAT

Recently established new milling quotas for wheat in West Germany mark the end of a long tug-of-war between importers, millers, bakers, and consumers on the one hand and the West German Federal Ministry for Food, Agriculture and Forestry and farm circles on the other. The new quotas effective during the first 6 months (January-June) of 1960, with those for July-December 1959 shown in parentheses, are: Minimum quota domestic wheat 75 (66) percent and maximum quota imported quality wheat 23 (28) percent.

The minimum quota for domestic wheat had to be raised, in the opinion of the government, in order to dispose of as much domestic wheat as possible from the record 1959 crop. Total imports of quality wheat as a result of the new quotas will probably be reduced by about 100,000 metric tons. Trade circles believe, however, that wheat imports will not be less than 900,000 metric tons and that the U.S. share will be kept at about 300,000 tons.

The government thinks that even with the new milling quotas the accumulation of larger stocks cannot be avoided. The gap between quotas for domestic wheat and imported wheat reserved for fillers has been narrowed by 2 percent of total milling. In this instance also, difficulties are foreseen in disposing of soft wheats imported under bilateral agreements (i.e., with France and Sweden). Bakers and consumers fear that bread quality will be reduced because of the lower proportion of imported quality wheat that may be used.

## WEST GERMANY REDUCES TARIFFS ON CERTAIN VEGETABLES

On December 15, West Germany suspended tariffs on frozen vegetables and reduced tariffs on canned beans by 10 percent through March 1960. The action was taken because of a rise in prices due to shortages of these products stemming from last summer's drought.

## AUSTRALIAN WHEAT PRICE GUARANTEE INCREASED

Australia's guaranteed price for new-crop wheat during the 1959-60 marketing season (December-November) has been fixed at 14s. 10d. (\$1.66) per bushel, bulk basis, f.o.r. ports. The 1958-59 guarantee was 14s. 6d. (\$1.62) per bushel. Under the Australian Wheat Stabilization Scheme, the Commonwealth government through its Wheat Board guarantees producers this price for up to 100 million bushels of wheat exported from the new crop and for all wheat from that crop sold for domestic consumption. The increase reflects an increase in costs of production as determined by the government's Bureau of Agricultural Economics.

As in past years, growers in Western Australia will be paid a premium of 3d. (2.8 cents) per bushel from total export realizations on wheat exported from that State in recognition of the natural freight advantage it enjoys because of proximity to principal overseas markets.

The new guarantee for wheat exported from the new crop is expected to wipe out remaining funds contributed by growers to the Wheat Stabilization Fund. Unless world market prices increase substantially in 1959-60, the disparity between the guaranteed price and the present export price would amount to about 1s. 6d. (16.8 cents) per bushel. The Commonwealth Treasury will be expected to make up the deficiency.

The first advance to wheat growers on deliveries of 1959-60 wheat to the Wheat Board, the sole legal buyer and seller of wheat, has been fixed at 11s. (\$1.23) per bushel, bulk basis, less freight to ports. This is the same as the first advance for the 1958-59 season. Deliveries of 1959-60 wheat to the board are now forecast at 148 million bushels, around 50 million bushels below those of the 1958-59 season.

Effective December 1, 1959, the board's selling price for home consumption was increased to 15s. (\$1.68) per bushel, comprising the guaranteed price of 14s. 10d. (\$1.66) per bushel, bulk basis at ports, plus a loading charge of 2d. (2 cents) per bushel to cover transport costs from the mainland to Tasmania. Because of this increase, flour millers have raised their flour price to bakers and manufacturers. In New South Wales, the price was increased by £1 5s. (\$92.40) per short ton delivered at Sydney bakeries, but the price of bran and pollard remained unchanged at £18 10s. (\$41.44 and £19 10s. (\$43.68) per ton, respectively. In New South Wales, where bread prices are still subject to price control, bakers have applied for authority to increase bread prices by 0.5d. (4.7 cents) per 2-pound loaf.



## DRIED SUGAR BEET PULP IN DEMAND IN WEST GERMANY

Due to a small sugar beet crop, West German production of beet pulp and other byproducts is considerably lower than last year. In view of the limited supply of other cattle feed, farmers are taking back from the factory almost all the feed byproducts to which they are entitled under sugar beet contracts. The market supply is therefore exceptionally small. During years of normal feed supply farmers instruct the factories to sell a part of these feeds.

During recent years the Federal Republic exported dried sugar beet pulp, but this year export licenses are not being given and import tenders for a quota of 236,000 short tons have been issued. It is doubtful whether imports of beet pulp of this magnitude will actually materialize. Imports of beet pulp come mainly from southeast European countries, which had a good beet crop this year.

## COMMONWEALTH AGREEMENT SUGAR PRICE LOWERED FOR 1960

The Ministry of Agriculture, Fisheries and Food of the United Kingdom has announced that the 1960 negotiated price for sugar under the terms of the Commonwealth Sugar Agreement will be £44 8s. 10d. per long ton, equivalent to U. S. \$111.09 per short ton. This is \$1.72 per ton lower than the negotiated price in 1959, but substantially above the world price level.

The reduction from last year's level reflects in part the current weakness in sugar prices in international markets. The Commonwealth Sugar Agreement has been extended to the end of 1967 with no change in the overall quota. However, the quantity to be purchased by the Sugar Board at the negotiated price in 1960 will be 3 percent larger than in 1959 because of increasing consumption in the United Kingdom.

The United Kingdom of Great Britain and Northern Ireland is now consuming sugar at the rate of about 3.2 million short tons, raw value per year. Homegrown sugar beets usually provide less than one-fourth of this total.

Under the Commonwealth Sugar Agreement, the United Kingdom agrees to take at the negotiated price (negotiated annually) specific quantities of sugar from each of the Commonwealth countries that are parties to the Agreement. Approximately 1.8 million short tons annually are taken by the United Kingdom at the negotiated price. The United Kingdom also takes additional quantities, both from Commonwealth and foreign countries, but at prices competitive in the world market. Sugar imports from Commonwealth countries enjoy a lower-tariff "preference" compared to those from foreign countries.

## JAPAN HARVESTS RECORD RICE CROP

Japan's 1959 rice crop is estimated at a record 12,399,000 metric tons of brown rice (341,685,000 cwt. of rough rice), according to an official announcement of December 5. The record harvest is 14,000 tons (386,000 cwt.) more than the previous largest crop, in 1955, and 406,000 tons (11,188,000 cwt.) above production in 1958.

The higher yield than previously reported was due to northeast Japan's favorable weather in the maturing season. The final estimate of the 1959 crop may show a further increase because conditions for maturing rice after mid-October have been favorable in western Japan.

## ARGENTINA'S FLAXSEED PRODUCTION LARGEST SINCE 1947-48

Argentina's 1959-60 flaxseed production is placed at 27,872,000 bushels, according to the first official estimate. This is 14 percent larger than the 1958-59 outturn and the largest crop since 1947-48, when 35,470,000 bushels were produced. While plantings at 2.8 million acres (3rd official estimate) were down 5 percent from the final estimate of the previous year because of excessive rains, growing conditions were good. On the basis of these estimates of output and acreage, yields per planted acre will be 9.9 bushels, compared with 8.2 bushels in 1958-59.

## JAPAN'S AGRICULTURAL IMPORTS FROM U.S. LAG

Japan's imports of the 7 agricultural commodities most important in U.S. trade with that country (see table) totaled \$572 million from all sources and \$226 million from the United States during the first 9 months of 1959.

Imports from all sources were up 2 percent from the corresponding period of 1958, while those from the United States declined nearly one-fourth. Thus, the share of these commodities coming from the United States fell from 53 percent during January-September 1958 to 40 percent in 1959.

Cotton imports, though larger in quantity, declined in value because of a price drop of nearly 20 percent. The large decline in the quantity of U.S. cotton imported was more than offset by increases from most all other important suppliers, especially Mexico, El Salvador, and Nicaragua. For the first time, Mexico supplied more cotton to Japan than did the United States.

Imports of U.S. wheat were the lowest in several years, but the decline was more than offset by increased imports from Canada and Australia--both at record levels. Total imports of corn were up nearly 50 percent, with Argentina and South Africa accounting for most of the increase.

Australia and New Zealand, especially the former, made substantial gains in the Japanese hides and skins market, while the United States lost ground. The U.S. share of Japan's increased tallow imports was sizable, but imports from Australia were nearly double the highest previous level, established in 1957.

Imports of U. S. soybeans during the first 9 months of 1959 were larger than for any previous entire year. No soybeans have been imported from Communist China since September 1958.

Japan's imports of all commodities from all sources were up 14 percent from January-September 1958, while those from the United States showed no change. Total exports increased 17 percent, with exports to the United States up 53 percent.

JAPAN: Imports of selected agricultural products, from all sources and from the United States, January-September 1957-59

## QUANTITY

Commodity	January-September 1957		January-September 1958		January-September 1959	
	Total	From U.S.	Total	From U.S.	Total	From U.S.
	<u>1,000 metric tons</u>					
Wheat.....	1,609	955	1,787	877	1,874	683
Barley.....	661	113	601	334	473	124
Corn.....	369	197	434	275	636	289
Hides and skins....	56	39	55	38	72	34
Soybeans...	621	445	687	590	809	789
Cotton 1/..	2,128	1,188	1,805	812	2,039	446
Tallow.....	99	81	88	72	107	85

## VALUE

	<u>Million dollars</u>					
	Total	From U.S.	Total	From U.S.	Total	From U.S.
Wheat.....	119.3	71.4	121.1	60.5	124.8	45.4
Barley.....	45.2	7.0	35.0	19.0	27.5	6.8
Corn.....	26.7	14.0	26.5	16.8	37.5	17.1
Hides and skins....	22.6	14.3	19.6	11.8	32.7	13.7
Soybeans...	73.2	52.1	68.9	59.1	77.6	74.7
Cotton.....	330.0	177.8	269.9	115.8	249.7	51.6
Tallow.....	21.4	17.4	18.9	15.4	21.7	17.0
Total..	638.4	354.0	559.9	298.4	571.5	226.3

1/ 1,000 bales of 480 pounds net.

#### HONDURAN MEAT PRODUCERS WANT CATTLE EXPORTS BANNED

A group of Honduran meat producers recently asked the Honduran Congress to prohibit cattle exports to neighboring countries.

In El Salvador, one of the principal importers of Honduran cattle, there is some concern that such a prohibition would increase meat prices. Salvadorans feel that recent shipments of Honduran meat to the United States are the underlying reason for the export prohibition request.

#### CUBA BUILDING FOOD-PROCESSING PLANT

A food canning and dehydrating plant is being built in San Antonio de los Banos, Cuba, by a newly formed company "Industria Deshidratadora Conservera Ozerec, S.A."

The plant will process 83 items, including meat cooked with rice and "ajiaco" (a Cuban meat and vegetable dish). It will be equipped to produce 96,000 one-pound cans per 8-hour shift and expects to employ about 600 people.

Cuban investors provided the initial finances, and are now selling stock to the public at \$5 per share. The Cuban Government is expected to barter sugar to the United Kingdom, West Germany, or Italy for the plant machinery.

#### WEST GERMANY CONTINUES IMPORT TENDER FOR VARIETY MEATS

The West German Foreign Trade Agency announced on December 9 a new import authorization for pork livers, pork kidneys, and beef livers from the United States and Canada.

Imports under the present tender end January 28, 1960. The new tender allows imports to begin January 29, 1960. Application for import licenses will be accepted from December 18, 1959, until the value limit (not disclosed) is reached, but not later than March 31, 1961.

Important changes from the old tender are: (1) there is a longer period in which applications may be filed; (2) the variety meats must come from animals slaughtered not more than 60 days prior to loading on a carrier for overseas transport; and (3) application by individual firms is limited to \$23,810 at one time.

West Germany is a leading market for U.S. variety meats. In 1958 it took over 25.3 million pounds, valued at \$5.2 million. January-October 1959 imports from the United States totaled 27.7 million pounds (\$5.6 million), compared with 18.9 million pounds (\$3.7 million) in the same period of 1958.



AUSTRALIAN 1959-60 WOOL  
CLIP REVISED UPWARD

The December estimate of the 1959-60 Australian wool output is 1,690 million pounds, grease basis. This is 20 million pounds above the July estimate and 7 percent above the 1958-59 record.

Australia accounts for about 30 percent of the world's wool output and 45 percent of world trade in raw wool.

ARGENTINA REDUCES EXPORT RETENTION  
TAX ON FROZEN LAMB

The Argentine Treasury Department has further reduced the basic price on which the 10-percent export retention tax for frozen lamb is calculated. This action should increase exports considerably. The basic price was lowered from 15.5 cents per pound to 12.6 cents per pound on October 1 and has now been cut further to 11.9 cents per pound.

The Treasury stated that hereafter it will give 3 months' notice before increasing the basic price. Argentine exporters sell lamb for the best price they can and then pay the 10-percent retention tax on the basic price.

CUBA INCREASES CATTLE  
EXPORT QUOTA

The Cuban Ministry of Commerce considers present cattle numbers to be at a record level and therefore has raised the export quota on live cattle and beef from 400 per month to 1,000 for an indefinite period. Unfilled amounts of the quota in any one month may be added to subsequent exports.

Exports will be made in accordance with provisions adopted by the Commerce Minister. The latter may suspend exports of high-quality beef whenever the domestic market is adversely affected.

The Minister was recently empowered to abolish the prohibition (May 5, 1952) of cattle slaughter, sale, and distribution of beef on Friday, and a longstanding ban (March 1, 1947) against cattle slaughter on Saturday. He has not, as yet, fully rescinded these orders.

Cattle slaughter for use within a plant is now permitted on Friday, but all slaughter is restricted on Saturday. Beef may be sold and distributed on Saturday but not on Friday.

Cuba recently made a trial shipment of beef carcasses to Venezuela (see Foreign Crops and Markets, December 16, 1959). This action should stimulate further shipments there and to other Caribbean countries.



# SOVIET UNION ENTERS AUSTRALIAN WOOL MARKET

Australian wool brokers' reports indicate that wool buying by the Soviet Union and Eastern European countries has been stepped up in recent weeks.

At the Brisbane auctions in mid-November the U.S.S.R. bought about 12,000 bales (300 pounds each), or about 18 percent of the offering. These purchases were made to fill out a 20,000-bale shipment on the Polish vessel Okrzeja bound for Gdynia. This shipment will be supplemented by 2 consignments of 10,000 bales each now loading for Leningrad.

This is the first season that the U.S.S.R. has made direct purchases of Australian wool since 1954-55.

## AUSTRALIAN BEEF SHIPMENTS TO U.S. IN NOVEMBER

Two ships left Australia in late November with 7,479,360 pounds of frozen beef for the United States.

Ship	Sailing date	Destination <u>1/</u>	Quantity (pounds)
<u>Gloucester</u>	November 25	Los Angeles	1,834,560
		San Francisco	1,630,720
		Seattle	1,019,200
		Chicago	418,880
<u>Nottingham</u>	November 26	New York	2,257,920
		Boston	188,160
		Chicago	129,920

1/ Indicates location of purchasers, and is usually also the port of arrival and general market area for the meat; in some instances meat may be diverted to other areas for sale.

## AUSTRALIAN WHEAT AND FLOUR EXPORTS RUNNING HIGH

As a result of Australia's increased availability of wheat for export this year, July-September 1959 exports of wheat and flour were approximately 84 percent larger than a year earlier.

Wheat exports during the 3 months totaled 22.2 million bushels, compared with 11.8 million in July-September 1958. Flour shipments were 7.3 million bushels, compared with 4.2 million bushels in the previous year.

Complete export statistics by country of destination are not yet available, but the principal buyers during July-September 1959 were the United Kingdom, Iraq, West Germany, and Japan. Smaller quantities were exported to New Zealand, Hong Kong, Pakistan, and the Federation of Rhodesia and Nyasaland.

Recent reports indicate that wheat and flour exports during October and November 1959 were even higher than in the preceding 3 months. However, due to adverse weather, the 1959 harvest is estimated to be much lower than in 1958. As the available supply for export will probably be less in 1960, exports may decrease during the next few months.

## TRANSSHIPMENTS OF MEXICAN COTTON LARGER IN AUGUST

Transshipments of Mexican cotton through U. S. ports were 129,000 bales (500 pounds gross) in August 1959. This was more than double July transshipments of 56,000 bales, and was 59 percent above the movement of 81,000 bales in August 1958. The U. S. ports through which most of the August 1959 transshipments moved were: Brownsville 127,000 bales, Long Beach 1,000, and Los Angeles 1,000.

Principal destinations during August 1959, with comparable 1958 figures in parentheses, were: West Germany 30,000 bales (21,000); Japan 29,000 (2,000); France 17,000 (1,000); United Kingdom 12,000 (11,000); and Italy 10,000 (9,000).

## INDIA RELEASES ADDITIONAL COTTON FOR EXPORT

In late November, the Government of India released about 61,000 bales (500 pounds gross) of Bengal Desi cotton for export through August 31, 1960. Five percent of this quota is earmarked for cooperatives, while the remainder will be licensed to shippers on a "first-come-first-served" basis with not more than 10 percent of the total going to any one shipper.

This is the second export quota released this season, bringing the total to about 122,000 bales.

## MADAGASCAR APPROVES NEW AGRICULTURAL DEVELOPMENT PROGRAMS

Financing of two irrigation projects in the Malgache Republic (Madagascar) has been approved by the European Economic Community through its Development Fund for Overseas Countries and Territories. One project is in the rice region around Lac Alaotra, and the other is in the plains of Tulear Province in the southwest portion of the island, where lima beans are produced in quantity for export, and some rice and cotton are grown.

The Lac Alaotra project will cost about \$1.6 million and the Tulear project about \$2 million. In addition, the rural engineering service (Genie Rural) of the Malgache Republic plans to provide irrigation for an additional 74,000 to 99,000 acres in the Lac Alaotra area at the rate of 7,413 acres a year. In the last 12 years the same service has brought about 61,775 acres under irrigation in that area, principally for rice.

The French Government's Fonds d'Aide et de Cooperation (FAC) is also reported to have allotted \$1,389,000 to agricultural development and extension services (Secteurs de Paysannat), and \$765,800 for studies of the Mangoky River basin and the development of the Tanandava agricultural research station, near Morombe, principally for cotton.

Among the Malgache Republic's agricultural programs, objectives are the establishment of marketing aids for exports--particularly for coffee, cloves, sisal, cotton, and tung. This will include price stabilization schemes, financed where necessary by the Fonds National de Regularization des Cours des Produits des Territoires d'Outre-Mer. It is also planned to shift tobacco production from Maryland to Virginia Burley and Kentucky types. A fund has been set up to carry out this tobacco program. Other objectives are to increase use of fertilizers; control soil erosion and brush fires; develop rural credit facilities, cooperatives, and better farm machinery maintenance facilities; and improve technical and extension services.

## DENMARK'S 1959-60 GRAIN IMPORTS LARGER

Reflecting the impact of the 1959 drought, Denmark's minimum bread and feed grain import requirements in 1959-60 are estimated at 1.7 million metric tons, compared with 1.2 million tons in 1958-59. The increased imports--needed entirely for livestock feeding--are necessitated by reduced domestic feed grain crops, a sharply reduced output of root and hay crops, and slightly larger feed grain requirements to cover an anticipated increase in production of pork products.

## GRAIN: Denmark, imports in 1956-59 and estimated 1959-60 requirements

Product	1958-59 imports			Estimated
	United States	Other Countries	Total	1959-60 total import needs
	Metric tons	Metric tons	Metric tons	Metric tons
Bread grain:				
Wheat .....	42,450	104,967	147,417	1/140,000
Flour 2/.....	77	39,789	39,866	3/
Rye .....	8,577	18,189	26,766	4/ 50,000
Total .....	51,104	162,945	214,049	190,000
Feed grains:				
Corn .....	40,179	47,914	88,093	200,000
Oats .....	13,396	101,454	114,850	150,000
Barley .....	160,578	174,885	335,463	600,000
Grain sorghums .....	375,884	60,540	436,424	560,000
Total .....	590,037	384,793	974,830	1,510,000
Other grain products:				
Other flour .....	40	644	684	3/
Wheat and rye bran .....	---	20,458	20,458	3/

1/ Of which 60,000 tons for feeding and 80,000 tons for flour milling.

2/ In terms of grain equivalent.

3/ Not indicated.

4/ All earmarked for feeding.

### THIRD SHIPMENT OF AUSTRALIAN LAMBS TO U.S. EXPECTED IN JANUARY

The ship Delfino, expected to leave Sydney, Australia, in mid-December with its third shipment of live lambs for the United States, has been delayed because of inspection problems with the State of California.

The second shipment of lambs, which arrived at San Diego in early November (see Foreign Crops and Markets, October 26, 1959), has been released from international quarantine by U. S. Department of Agriculture officials. But as of December 21 it had not been released by Californian officials for movement to destination. The second shipment must move from its quarantine holding pens before the third shipment can be approved for unloading. Federal officials have granted an import permit for 26,000 head to arrive about January 24.

The first shipment on the Delfino of 23,629 head arrived at San Diego in late July (see Foreign Crops and Markets, August 10, 1959).

An export license by the U.S. lamb importing firm for 10,000 head of New Zealand cattle has lapsed after 2 years. Only one shipment of 1,110 head was made. These cattle entered the United States at San Diego in July 1958 (see Foreign Crops and Markets, June 30, 1958). The firm is not expected to apply for a new cattle export license.

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